

Funding Increased for USDA's Reimbursement Transportation Cost Payment Program

News Release \parallel Hawaii and Pacific Islands \parallel July 13, 2022

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\$3 Million Allocated to Help Offset Transporting Costs for Farmers and Ranchers Outside the Contiguous U.S.

HONOLULU, Hawaii, July 13, 2022 – The U.S. Department of Agriculture (USDA) in Hawaii and the Pacific Basin opened enrollment for the Reimbursement Transportation Cost Payment Program (RTCP), which has increased its available funding to \$3 million for fiscal year 2022. The enrollment period began July 11 and will run through Sept. 2.

"COVID-19 revealed vulnerabilities in our food system, and we're working toward a fairer, more competitive and resilient food system. RTCP is a critical tool to help U.S. farmers and ranchers offset a portion of the cost of transporting agricultural products over long distances, which is especially important to producers in Hawaii," said Joy Kono, State Executive Director for FSA in Hawaii and the Pacific Basin. "This program is part of our commitment to give farmers the tools and resources they need to boost production, lower food prices, and feed the world."

The Consolidated Appropriations Act of 2022 reauthorized RTCP and allows farmers and ranchers in Alaska, Hawaii and insular areas including the Commonwealth of Puerto Rico, Guam, American Samoa, Commonwealth of the Northern Mariana Islands, Virgin Islands of the United States, Federated States of Micronesia, Republic of the Marshall Islands and Republic of Palau, to recover any costs to transport agricultural commodities or inputs used to produce an agricultural commodity. Nearly \$2 million was issued to 882 producers through the 2021 Reimbursement Transportation Cost Payment (RTCP) program in May 2022.

RTCP payments are calculated based on the costs incurred for transportation of the agricultural commodity or inputs during a 12-month period, subject to an \$8,000 per producer cap per fiscal year once the allocated \$3 million has been reached. If total transportation cost for payments exceeds the funds available from the program for a fiscal year, payments will be reduced on a pro-rata basis.

Farmers and ranchers interested in participating in RTCP can obtain applications and other documents by calling toll-free 1-866-794-1079 or by contacting FSA at their local <u>USDA Service</u> <u>Center</u>.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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